

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

G

E-01891A
Garkane Energy Cooperative, Inc.
PO Box 465
Loa, UT 84747

RECEIVED

MAR 16 2007

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT

FOR YEAR ENDING

12	31	2006
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FOR COMMISSION USE

ANN 01	06
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PROCESSED BY:

316-07 RF

SCANNED

COMPANY INFORMATION

Company Name (Business Name) _____ Garkane Energy Cooperative, Inc. _____			
Mailing Address _____ 120 West 300 South _____ P0 Box 465 _____			
(Street)		Loa _____	UT _____
(City)		(State)	84747 _____
(Zip)			
(435) 836-2795 _____		(435) 836-2497 _____	
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____ calbrecht@garkaneenergy.com _____			
Local Office Mailing Address _____ 120 West 300 South _____ P0 Box 465 _____			
(Street)		Loa _____	UT _____
(City)		(State)	84747 _____
(Zip)			
(435) 836-2795 _____		(435) 836-2497 _____	
Local Office Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____ calbrecht@garkaneenergy.com _____			

MANAGEMENT INFORMATION

Management Contact: _____ Carl R. Albrecht _____ General Manager _____			
(Name)		(Title)	
120 West 300 South _____		Loa _____	UT _____
(Street)		(City)	84747 _____
(Zip)			
(435) 836-2795 _____		(435) 836-2497 _____	
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____ calbrecht@garkaneenergy.com _____			
On Site Manager: _____ Carl R. Albrecht _____			
(Name)			
120 West 300 South _____		Loa _____	UT _____
(Street)		(City)	84747 _____
(Zip)			
(435) 836-2795 _____		(435) 836-2497 _____	
Telephone No. (Include Area Code)		Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____ calbrecht@garkaneenergy.com _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: _____ Robert T. Jones
(Name)

120 North 44th Street	Suite 100	Phoenix	AZ	85034-1822
(Street)		(City)	(State)	(Zip)
(602) 286-6925		(602) 286-6932		
Telephone No. (Include Area Code)		Fax No. (Include Area Code)		Pager/Cell No. (Include Area Code)

Attorney: _____ Michael Grant
(Name)

2575 East Camelback	Phoenix	AZ	85016-9225
(Street)	(City)	(State)	(Zip)
(602) 530-8291	(602) 257-9459		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)		Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input checked="" type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input checked="" type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input checked="" type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

SERVICES AUTHORIZED TO PROVIDE

Check the following box/es for the services that you are authorized to provide:

☒ **Electric**

- ☐ Investor Owned Electric
- ☒ Rural Electric Cooperative
- ☐ Utility Distribution Company
- ☐ Electric Service Provider
 - ☐ Transmission Service Provider
 - ☐ Meter Service Provider
 - ☐ Meter Reading Service Provider
 - ☐ Billing and Collection
 - ☐ Ancillary Services
 - ☐ Generation Provider
 - ☐ Aggregator/Broker

☐ **Telecommunications**

- ☐ Incumbent Local Exchange Carrier
- ☐ Interexchange Carrier
- ☐ Competitive Local Exchange Carrier
- ☐ Reseller
- ☐ Alternative Operator Service Provider

☐ **Gas**

- ☐ Natural Gas
- ☐ Propane

☐ **Other** (Specify) _____

STATISTICAL INFORMATION

TELECOMMUNICATION UTILITIES ONLY

Total residence local exchange access lines	_____
Total business local exchange access lines	_____
Total revenue from Arizona operations	\$ _____
Total income from Arizona operations	\$ _____
Value of assets used to serve Arizona customers	\$ _____
Accumulated depreciation associated with those assets	\$ _____

STATISTICAL INFORMATION (CONT'D)

ELECTRIC UTILITY PROVIDERS ONLY

Total number of customers	663	
Residential	519	
Commercial	119	
Industrial		
Public street and highway lighting	4	
Irrigation	14	
Resale Public Authorities	7	
Total kilowatt-hours sold	12,780,753	kWh
Residential	6,621,786	
Commercial	5,356,300	
Industrial		
Public street and highway lighting	14,880	
Irrigation	515,949	
Resale Public Authorities	271,838	
Maximum Peak Load	n/a	MW

GAS UTILITIES ONLY

Total number of customers		
Residential		
Commercial		
Industrial		
Irrigation		
Resale		
Total therms sold		therms
Residential		
Commercial		
Industrial		
Irrigation		
Resale		

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

RECEIVED

MAR 16 2007

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF UTAH

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)	Wayne	Utah
NAME (OWNER OR OFFICIAL) TITLE	Carl R. Albrecht	
COMPANY NAME	Garkane Energy Cooperative, Inc.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2006 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 1,123,047

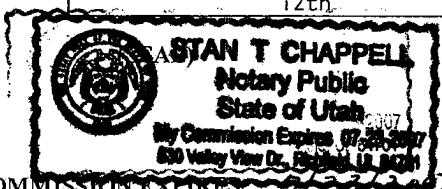
(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 63,891
IN SALES TAXES BILLED, OR COLLECTED)

**REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 12th DAY OF



MY COMMISSION EXPIRES 7/23/2007

Carl R. Albrecht
SIGNATURE OF OWNER OR OFFICIAL
(435) 836-2795
TELEPHONE NUMBER

COUNTY NAME	Wayne	Utah
MONTH	March	,2007

Stan T. Chappell
SIGNATURE OF NOTARY PUBLIC

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

MAR 16 2007

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Wayne	Utah
NAME (OWNER OR OFFICIAL)	Carl R. Albrecht	TITLE General Manager
COMPANY NAME	Garkane Energy Cooperative, Inc.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2006

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2006 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 566,537

(THE AMOUNT IN BOX AT LEFT

INCLUDES \$ 32,068

IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X 
SIGNATURE OF OWNER OR OFFICIAL

(435) 836-2795
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

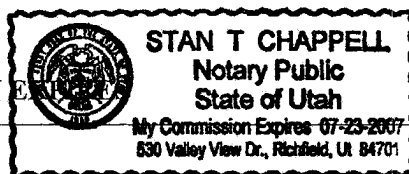
THIS

12th

DAY OF

(SEAL)

MY COMMISSION EXPIRES



NOTARY PUBLIC NAME Stan T. Chappell	
COUNTY NAME Wayne	Utah
MONTH March	, 20 07

X 
SIGNATURE OF NOTARY PUBLIC

7/23/2007

FINANCIAL INFORMATION

Attach to this annual report a copy of the companies' year-end (Calendar Year 2006) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**

GARKANE ENERGY COOPERATIVE, INC

120 W 300 S

LOA, UTAH 84747

For the year ending

31-Dec-06

Description	Total System	Utah	Arizona
Intangible Plant	\$ -	\$ -	\$ -
Production Plant	\$ 5,384,124	\$ 5,384,124	\$ -
Other Production Plant	\$ 251,173	\$ 251,173	\$ -
Transmission Plant	\$ 11,451,536	\$ 11,103,408	\$ 348,128
Distribution Plant	\$ 33,641,456	\$ 30,309,053	\$ 3,332,403
General Plant	\$ 9,245,594	\$ 9,245,594	\$ -
Total	\$ 59,973,883	\$ 56,293,352	\$ 3,680,531

REVENUE

Residential Sales	\$ 6,123,871	\$ 4,473,904	\$ 1,649,967
Irrigation Sales	\$ 257,750	\$ 229,267	\$ 28,483
Commerical Sales	\$ 4,160,624	\$ 2,781,494	\$ 1,379,130
Large Industrial Sales	\$ 1,375,526	\$ 1,280,099	\$ 95,427
Public Street Lighting	\$ 54,650	\$ 38,788	\$ 15,862
Public Authorities Sales	\$ 1,159,382	\$ 805,286	\$ 354,096
Total Sales of Electricity	\$ 13,131,803	\$ 9,608,838	\$ 3,522,965

Forfeited Discounts	\$ 18,480	\$ 17,094	\$ 1,386
Connect fees	\$ 48,613	\$ 44,967	\$ 3,646
Rent from electric property	\$ 20,378	\$ 18,850	\$ 1,528
Other electric revenue	\$ 464,107	\$ 429,299	\$ 34,808
Total Other Revenue	\$ 551,578	\$ 510,210	\$ 41,368
Total Operating Revenue	\$ 13,683,381	\$ 10,119,048	\$ 3,564,333

KWH SOLD

Residential Sales	77,962,216	71,340,430	6,621,786
Irrigation Sales	3,411,752	2,895,803	515,949
Commerical Sales	53,569,533	48,213,233	5,356,300
Large Industrial Sales	22,930,000	22,930,000	-
Public Street Lighting	333,800	318,920	14,880
Public Authorities Sales	12,874,971	12,603,133	271,838
Total	171,082,272	158,301,519	12,780,753
		92.5%	7.5%

Customers

Residential Sales	9,025	8,506	519
Irrigation Sales	104	90	14
Commerical Sales	1,243	1,124	119
Large Industrial Sales	1	1	-
Public Street Lighting	30	26	4
Public Authorities Sales	475	468	7
Total	10,878	10,215	663

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0032. The time required to complete this information collection is estimated to average 16 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

BORROWER DESIGNATION UT0006

FINANCIAL AND STATISTICAL REPORT

PERIOD ENDED
December, 2006 (Prepared with Audited Data)

INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2.

This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et seq.) and may be confidential.

BORROWER NAME

Garkane Energy Cooperative, Inc

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

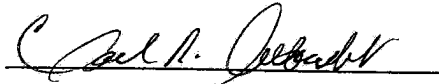
We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII
(check one of the following)

☒ All of the obligations under the RUS loan documents have been fulfilled in all material respects.

☐ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.



2/20/07
DATE

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	12,574,720	13,683,381	13,353,000	1,297,359
2. Power Production Expense	557,803	410,701	414,500	15,876
3. Cost of Purchased Power	3,964,615	4,034,067	4,518,000	80,333
4. Transmission Expense	182,753	249,286	210,820	12,797
5. Distribution Expense - Operation	391,637	405,248	561,900	19,632
6. Distribution Expense - Maintenance	556,009	652,421	754,200	63,008
7. Customer Accounts Expense	465,200	522,712	500,400	52,463
8. Customer Service and Informational Expense	86,853	91,264	94,440	7,460
9. Sales Expense	5,757	13,992	12,600	0
10. Administrative and General Expense	2,552,283	2,792,744	2,900,600	285,598
11. Total Operation & Maintenance Expense (2 thru 10)	8,762,910	9,172,435	9,967,460	537,167
12. Depreciation and Amortization Expense	1,565,435	1,661,208	1,602,800	146,513
13. Tax Expense - Property & Gross Receipts	274,201	252,784	264,000	13,516
14. Tax Expense - Other	40,071	46,897	72,000	1,532
15. Interest on Long-Term Debt	1,008,741	1,119,537	1,100,000	108,899
16. Interest Charged to Construction - Credit	0	0	0	0
17. Interest Expense - Other	16,044	19,940	16,000	1,720
18. Other Deductions	29,042	19,946	25,000	50
19. Total Cost of Electric Service (11 thru 18)	11,696,444	12,292,747	13,047,260	809,397
20. Patronage Capital & Operating Margins (1 minus 19)	878,276	1,390,634	305,740	487,962
21. Non Operating Margins - Interest	82,155	111,755	72,000	8,070
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	0	0	0	0
24. Non Operating Margins - Other	102,051	173,269	70,600	50,973
25. Generation and Transmission Capital Credits	0	5,114	0	5,114
26. Other Capital Credits and Patronage Dividends	97,923	168,433	90,000	98,163
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	1,160,405	1,849,205	538,340	650,282

USDA - RUS			BORROWER DESIGNATION		
FINANCIAL AND STATISTICAL REPORT			UT0006		
INSTRUCTIONS - See RUS Bulletin 1717B-2			PERIOD ENDED		
			December, 2006		
PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT					
ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	404	307	5. Miles Transmission	286.00	286.00
2. Services Retired	21	7	6. Miles Distribution - Overhead	1,266.00	1,268.00
3. Total Services in Place	11,247	11,547	7. Miles Distribution - Underground	465.00	488.00
4. Idle Services (Exclude Seasonals)	643	550	8. Total Miles Energized (5 + 6 + 7)	2,017.00	2,042.00
PART C. BALANCE SHEET					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	59,973,883		29. Memberships.....	0	
2. Construction Work in Progress	1,840,248		30. Patronage Capital.....	18,502,981	
3. Total Utility Plant (1 + 2)	61,814,131		31. Operating Margins - Prior Years.....	0	
4. Accum. Provision for Depreciation and Amort	24,075,991		32. Operating Margins - Current Year.....	1,564,182	
5. Net Utility Plant (3 - 4)	37,738,140		33. Non-Operating Margins.....	285,024	
6. Non-Utility Property (Net)	0		34. Other Margins and Equities.....	247,368	
7. Investments in Subsidiary Companies	1,678,276		35. Total Margins & Equities (29 thru 34).....	20,599,555	
8. Invest. in Assoc. Org. - Patronage Capital	268,174		36. Long-Term Debt - RUS (Net).....	0	
9. Invest. in Assoc. Org. - Other - General Funds	0		37. Long-Term Debt - FFB - RUS Guaranteed.....	0	
10. Invest. in Assoc. Org. - Other - Nongeneral Funds..	773,192		38. Long-Term Debt - Other - RUS Guaranteed.....	3,899,473	
11. Investments in Economic Development Projects	0		39. Long-Term Debt Other (Net).....	17,541,041	
12. Other Investments	0		40. Long-Term Debt - RUS - Econ. Devel. (Net).....	0	
13. Special Funds	36,116		41. Payments - Unapplied	0	
14. Total Other Property & Investments (6 thru 13) ...	2,755,758		42. Total Long-Term Debt (36 thru 40 - 41).....	21,440,514	
15. Cash - General Funds	2,065,594		43. Obligations Under Capital Leases - Noncurrent.....	0	
16. Cash - Construction Funds - Trustee	300		44. Accumulated Operating Provisions and Asset Retirement Obligations..	431,013	
17. Special Deposits	0		45. Total Other Noncurrent Liabilities (43 + 44).....	431,013	
18. Temporary Investments	0		46. Notes Payable.....	0	
19. Notes Receivable (Net)	0		47. Accounts Payable.....	1,573,513	
20. Accounts Receivable - Sales of Energy (Net)	1,210,252		48. Consumers Deposits.....	338,855	
21. Accounts Receivable - Other (Net)	795,722		49. Current Maturities Long-Term Debt.....	663,152	
22. Materials and Supplies - Electric & Other	2,647,479		50. Current Maturities Long-Term Debt -Economic Development.....	0	
23. Prepayments	62,170		51. Current Maturities Capital Leases.....	0	
24. Other Current and Accrued Assets	6,346		52. Other Current and Accrued Liabilities.....	1,105,185	
25. Total Current and Accrued Assets (15 thru 24)	6,787,863		53. Total Current & Accrued Liabilities (45 thru 52).....	3,680,705	
26. Regulatory Assets	0		54. Regulatory Liabilities.....	0	
27. Other Deferred Debits	74,376		55. Other Deferred Credits.....	1,204,350	
28. Total Assets and Other Debits (5+14+25 thru 27)..	47,356,137		56. Total Liabilities and Other Credits (35+ 42 + 45 + 53 thru 55).....	47,356,137	

USDA-RUS

FINANCIAL AND STATISTICAL REPORT

INSTRUCTIONS - See RUS Bulletin 1717B-2

BORROWER DESIGNATION

UT0006

PERIOD ENDED

December, 2006

PART D. NOTES TO FINANCIAL STATEMENTS

USDA - RUS		BORROWER DESIGNATION	
FINANCIAL AND STATISTICAL REPORT		UT0006	
INSTRUCTIONS - See RUS Bulletin 1717B-2		PERIOD ENDED	
		December, 2006	

PART E. CHANGES IN UTILITY PLANT					
PLANT ITEM	BALANCE BEGINNING OF YEAR (a)	ADDITIONS (b)	RETIREMENTS (c)	ADJUSTMENTS AND TRANSFER (d)	BALANCE END OF YEAR (e)
1. Distribution Plant	31,036,430	4,254,901	1,649,875		33,641,456
2. General Plant	5,213,575	957,275	208,987		5,961,863
3. Headquarters Plant	2,462,915	826,353	5,536		3,283,732
4. Intangibles	0				0
5. Transmission Plant	11,109,025	382,125	39,614		11,451,536
6. All Other Utility Plant	5,635,297	0	0		5,635,297
7. Total Utility Plant in Service (1 thru 6)	55,457,242	6,420,654	1,904,012		59,973,884
8. Construction Work in Progress	2,348,741	(508,493)			1,840,248
9. TOTAL UTILITY PLANT (7 + 8)	57,805,983	5,912,161	1,904,012		61,814,132

PART F. MATERIALS AND SUPPLIES							
ITEM	BALANCE BEGINNING OF YEAR (a)	PURCHASED (b)	SALVAGED (c)	USED (NET) (d)	SOLD (e)	ADJUSTMENT (f)	BALANCE END OF YEAR (g)
1. Electric	1,786,034	2,495,765	48,458	1,687,660		(8,225)	2,634,372
2. Other	4,950	22,255			14,099		13,106

PART G. SERVICE INTERRUPTIONS					
ITEM	AVERAGE HOURS PER CONSUMER BY CAUSE				TOTAL (e)
	POWER SUPPLIER (a)	EXTREME STORM (b)	PREARRANGED (c)	ALL OTHER (d)	
1. Present Year	1.00	1.00	1.00	3.31	6.31
2. Five-Year Average	1.00	5.30	1.00	3.20	10.50

PART H. EMPLOYEE-HOUR AND PAYROLL STATISTICS			
1. Number of Full Time Employees	52	4. Payroll - Expensed	2,108,131
2. Employee - Hours Worked - Regular Time	105,803	5. Payroll - Capitalized	628,191
3. Employee - Hours Worked - Overtime	2,942	6. Payroll - Other	449,968

PART I. PATRONAGE CAPITAL			
ITEM	DESCRIPTION	THIS YEAR (a)	CUMULATIVE (b)
1. Capital Credits - Distributions	a. General Retirements	460,896	6,092,541
	b. Special Retirements		
	c. Total Retirements (a + b)	460,896	6,092,541
2. Capital Credits - Received	a. Cash Received From Retirement of Patronage Capital by Suppliers of Electric Power	5,114	
	b. Cash Received From Retirement of Patronage Capital by Lenders for Credit Extended to the Electric System	98,164	
	c. Total Cash Received (a + b)	103,278	

PART J. DUE FROM CONSUMERS FOR ELECTRIC SERVICE			
1. AMOUNT DUE OVER 60 DAYS	\$ 144,431	2. AMOUNT WRITTEN OFF DURING YEAR	\$ 0

USDA-RUS

FINANCIAL AND STATISTICAL REPORT

INSTRUCTIONS - See RUS Bulletin 1717B-2

BORROWER DESIGNATION

UT0006

PERIOD ENDED

December, 2006

Part K. kWh PURCHASED AND TOTAL COST

No	ITEM (a)	RUS USE ONLY SUPPLIER CODE (b)	kWh PURCHASED (c)	TOTAL COST (d)	AVERAGE COST (Cents/kWh) (e)	INCLUDED IN TOTAL COST - FUEL COST ADJUSTMENT (f)	INCLUDED IN TOTAL COST - WHEELING AND OTHER CHARGES (g)
1	Deseret Generation & Tran Coop	40230	158,345,280	4,030,450	2.55		332,200
2	*Miscellaneous	700000	144,680	3,617	2.50		
	Total		158,489,960	4,034,067	2.55		332,200

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PART L. LONG-TERM LEASES			
No	NAME OF LESSOR (a)	TYPE OF PROPERTY (b)	RENTAL THIS YEAR (c)
	Total		

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PART M. ANNUAL MEETING AND BOARD DATA			
1. Date of Last Annual Meeting 4/26/2006	2. Total Number of Members 8,864	3. Number of Members Present at Meeting 379	4. Was Quorum Present? Y
5. Number of Members Voting by Proxy or Mail 651	6. Total Number of Board Members 10	7. Total Amount of Fees and Expenses for Board Members \$ 165,551	8. Does Manager Have Written Contract? Y

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PART N. LONG-TERM DEBT AND DEBT SERVICE REQUIREMENTS					
No	ITEM	BALANCE END OF YEAR (a)	INTEREST (Billed This Year) (b)	PRINCIPAL (Billed This Year) (c)	TOTAL (Billed This Year) (d)
1	Rural Utilities Service (Excludes RUS - Economic Development Loans)	0	0	0	0
2	National Rural Utilities Cooperative Finance Corporation	21,440,514	1,119,537	1,724,724	2,844,261
3	Bank for Cooperatives				
4	Federal Financing Bank				
5	RUS - Economic Development Loans				
6	Payments Unapplied				
	Total	21,440,514	1,119,537	1,724,724	2,844,261

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PART O. POWER REQUIREMENTS DATA BASE -ANNUAL SUMMARY

CLASSIFICATION	CONSUMER SALES & REVENUE DATA	DECEMBER (a)	AVERAGE NO. CONSUMERS SERVED (b)	TOTAL YEAR TO DATE (c)
1. Residential Sales (excluding seasonal)	a. No. Consumers Served	6,869	6,758	
	b. kWh Sold			65,742,360
	c. Revenue			5,043,747
2. Residential Sales - Seasonal	a. No. Consumers Served	2,329	2,272	
	b. kWh Sold			12,218,856
	c. Revenue			1,080,124
3. Irrigation Sales	a. No. Consumers Served	42	39	
	b. kWh Sold			3,411,752
	c. Revenue			257,750
4. Comm. and Ind. 1000 KVA or Less	a. No. Consumers Served	1,266	1,245	
	b. kWh Sold			53,569,533
	c. Revenue			4,160,624
5. Comm. and Ind. Over 1000 KVA	a. No. Consumers Served	1	1	
	b. kWh Sold			22,930,000
	c. Revenue			1,375,526
6. Public Street & Highway Lighting	a. No. Consumers Served	29	30	
	b. kWh Sold			333,800
	c. Revenue			54,650
7. Other Sales to Public Authorities	a. No. Consumers Served	476	474	
	b. kWh Sold			12,874,971
	c. Revenue			1,159,382
8. Sales for Resale - RUS Borrowers	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
9. Sales for Resale - Other	a. No. Consumers Served			
	b. kWh Sold			
	c. Revenue			
10. TOTAL No. of Consumers (lines 1a thru 9a)		11,012	10,819	
11. TOTAL kWh Sold (lines 1b thru 9b)				171,081,272
12. TOTAL Revenue Received From Sales of Electric Energy (line 1c thru 9c)				13,131,803
13. Other Electric Revenue				551,578
14. kWh - Own Use				700,614
15. TOTAL kWh Purchased				158,489,960
16. TOTAL kWh Generated				30,755,016
17. Cost of Purchases and Generation				4,694,054
18. Interchange - kWh - Net				0
19. Peak - Sum All kW Input (Metered) Non-coincident <input checked="" type="checkbox"/> Coincident				38,553

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PART I. INVESTMENTS					
No	DESCRIPTION (a)	INCLUDED (\$) (b)	EXCLUDED (\$) (c)	INCOME OR LOSS (\$) (d)	RURAL DEVELOPMENT (e)
10	Commitments to Invest Within 12 Months but not actually purchased				
	NRUCFC Subordinate Certificates	30,000			
	Totals				
2	Investments in Associated Organizations				
	Garkane Propane Inc	1,678,276			
	NRUCFC Patronage Capital Credits		268,174		
	NRUCFC Membership		1,000		
	NRUCFC Capital Term Certificates		771,842		
	GO Sevier	350			
	Totals	1,678,626	1,041,016		
5	Special Funds				
	Unclaimed Capital Credits - WARM FUND	11,485			
	Deferred Compensation	24,651			
	Totals	36,116			
6	Cash - General				
	Farwest Bank	714,019			
	Zions Bank - Htch	474,297			
	SBSU	829,671			
	SBSU - Credit Card	500			
	SBSU - Misc Pay Fund	500			
	Farwest Bank - Payroll	250			
	Working Fund - Petty Cash	975			
	Wells Fargo - Vision Care Fund	35,905			
	Zions Bank - Capital Credit Fund	9,477			
	Totals	2,065,594			
9	Accounts and Notes Receivable - NET				
	Disconnected AR	144,431			
	Misc Accounts Receivable	651,291			
	Totals	795,722			
11	TOTAL INVESTMENTS (1 thru 10)	4,606,058	1,041,016		

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PART II. LOAN GUARANTEES

No.	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
	Total				
	TOTAL (Include Loan Guarantees Only)				

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Part III. RATIO					
RATIO OF INVESTMENTS AND LOAN GUARANTEES TO UTILITY PLANT (Total Of Included Investments (Part, 11b) and Loan Guarantees - Loan Balance (Part II, 5d) to Total Utility Plant (Form7, Part C, Line3))					7.45 %
PART IV. LOANS					
No	ORGANIZATION (a)	MATURITY DATE (b)	ORIGINAL AMOUNT (\$) (c)	LOAN BALANCE (\$) (d)	RURAL DEVELOPMENT (e)
1	Employees, Officers, Directors				
2	Energy Resources Conservation Loans				
	Total				